THE WHITE HOUSE WASHINGTON

June 13, 1982

Mr President,

Subject: Next Steps in Lebanon

Attached is a State paper which analyzes where we go from here in Lebanon to achieve:

- --An international replacement force for Israel's occupying forces in southern Lebanon
- --The reconstruction of a stable government in Beirut
- --Renewed progress on the peace process (Autonomy talks).

You should know that Cap and the JCS believe the paper dismisses too easily, Israel's bloody aggression and trifling with our interests. In addition DOD also would recommend our use of sanctions (cutting off arms sales etc) to coerce Israel into accepting our terms.

I agree with the first point on the unacceptability of Israel's behavior, but beleive we have not yet reached the point that "negative incentives" are appropriate. Indeed they may make your job just that much harder.

I recommend that you read the paper as background and that we have a prompt NSC meeting on our strategy.

Bill Clark

State Dept. review completed

SECRET

NSC review completed.

SECNE

LEBANON: Elements of a U.S. Strategy

The collapse of the cease-fire and Israel's invasion of Lebanon have created an entirely new situation. In a fashion similar to the October 1973 war, this Middle East crisis can provide opportunities for constructive American diplomacy. It may be possible to (1) secure Israel's northern border; (2) begin the process of reconstructing Lebanon politically and economically and (3) (Perhaps) stimulate the larger peace process.

It is clear that Israel will not withdraw without the establishment of a broad and effective buffer zone, ruling out a return to the status quo ante. A situation of inherent instability, and periodic violence, such as characterized the Lebanese-Israeli border in recent years, hardly serves our interests either in Lebanon or in the region. It is equally evident that our objective of a peaceful and pluralistic. Lebanon cannot be secured so long as the rest of the country is beset by various armed militia and a Syrian occupation force.

American policy must therefore move on two projects (a) to secure the rapid withdrawal of Israeli forces under conditions (establishment of a buffer zone) that reduce the potential for conflict (b) to help initiate a process that will reconstitute a strengthened Lebanese central government, based on a new social compact, a reduced Syrian presence and a Lebanese-Palestinian modus vivendi.

These projects clearly influence each other. The lack of movement on a solution in southern Lebanon will guarantee a state of recurring, if not permanent, crisis, and the threat of an Israeli-Syrian war. The lack of a strong Lebanese central government will guarantee instability in northern Lebanon that will undermine any arrangement in the south.

This linkage, however, should not be treated as a lock step. The most pressing problem—our immediate goal—is to bring about Israeli withdrawal under the conditions noted above. The second part of our effort, dealing with the north and all of Lebanon, can facilitate that goal and will in turn be facilitated by success in the south. But, the creation of a buffer zone cannot await the necessarily more complex reordering of Lebanon's political structure.

SECRET

SECRE

- 2 -

Moreover, both elements of our policy will have a definite ampact on the larger peace process in the Middle East. If we take harsh steps against Israel to achieve our objectives, Israel may become much less responsive to our efforts in the peace process, all we appear not to understand Egyptian. Jordanian, and Saudi concerns, Egyptian incentives to pursue the autonomy discussions will decline and Saudi and Jordanian sensitivity to supporting the U.S. in general will increase At the same time, any political outcome in Lebanon will hold major implications for the future role of the Palestinians and the PLO.

The rapid success of the Israeli military operation offers us a potentially unique, but certainly fleeting opportunity to launch both projects and to do so in a way that also benefits the peace process. The importance of timing is paramount. The longer the Israelis stay, the greater will be the harm to out interests.

The main elements in an American initiative to take advantage of the situation are the following: a) highly publicized American proposals to establish both the buffer zont and a political process; thereby heading off mischief making if the U.N. and compelling Israel and other parties to the Lebanese problem to heed our agenda b) a set of understandings among the U.S., Israel, France, key Lebanese factions, Saudi Arabia and Syria that enable us to form both a stronger peacekeeping force and to set both the Israeli withdrawal and a political process in motion; and c) timed to these activities, and requiring an additional set of understandings with Egypt and Israel, a resumption of our previously planned push on the peace process.

Peacekeeping Operations:

1. Stage One: Peacekeeping

The peacekeeping force for the southern buffer zon is the central device to achieve Israeli withdrawal, without which other aspects of our policy can have but little hope for success. There are three basic options for a peacekeeping force: [1] a Lebanese force supported by Israel; 2) a renewed. UNIFIL with an expanded geographical mandate; and 3) an international peacekeeping force that is butside the purview of the United Nations. The pros and cons of each are discussed below.

SECRET

- 3 -

2. A Lebanese Force

The Israelis have talked about the possibility of an indigenous Lebanese force, apparently looking to a local coalition of Haddad's militia, the Shia, Christian, and possibly Druze, communities and the soldiers of the central government. Such a combination would depend upon Israeli support and the promise (or threat) of Israeli intervention. It would provide a substitute for Israeli occupation and reduce the PLO's ability to threaten Israeli interests from Lebanon. On the surface, at least, it gives the Lebanese factions themselves direct control in the guaranteeing of their own security.

The problem of such as a coalition—if—it—could be created at all—is that it would be seen as a mere appendage of Israeli rule; if the Israelis are publicly identified with its establishment. International pressure to do something "more acceptable" would mount. It could also contribute to tendencies favoring the effective partition of the country. Lastly, it is not at all clear that these forces possess the capacity to uphold the peace within the enlarged area they would inherit. As a result, such an arrangement could be a recipe for repeated Israeli intervention in Lebanon. In spite of the problems, we should not exclude this possibility.

3. An International Force under UN Auspices

An international force sanctioned by the U.N. offers the broadest political support for a solution. It would build on UNIFIL providing continuity and offering the best chance of attracting participants, especially under improved political conditions inside Lebanon.

UNIFIL mandate expires June 19, 1982. A UN force with a renewed and expanded mandate might encounter soviet opposition from the outset. Its annual or semi-annual renewals would provide Moscow and other adversaries with continued leverage. (If these was broad moderate Arab support for such a force Moscow would be put in an intolerable position by using its veto.) Moreover, Israel, with its traditional distrust of UN-sponsored arrangements, will resist a UNIFIL presence, especially one that is made up of the same contributors as one that would eliminate the Haddad enclave.

Notwithstanding these problems, a UNIFIL presence under an enlarged international mandate may be the most desirable SECRET

- 4 -

outcome in that it spreads responsibility and legitimacy for our efforts to create a more stable Lebanon. Bringing about such a force should be our first objective.

4. A Non-UN International Force

Given the probable obstacles to a UNIFIL force, we should have as a fallback an international peacekeeping force outside the United Nations. The obvious model is the Sinal Multinational Force. As is the case in the Sinal, such a force would be free of Security Council oversight, Soviet vetos, and would be less objectionable to the Israelis. It would, however, be more difficult to attract adequate participation without a UN imprimatur, would lack in the eyes of some sufficient legitimacy, and would not follow smoothly from the UN force already in place.

There are considerations common to either of the international approaches. First, is the matter of their function. Would they be observers or enforcers. The latter would require not only additional numbers (perhaps at twice the size of UNIFIL's 7,000 men) but means greater danger. Second is the breadth and identity of the participants. Both a UNIFIL or independent force would benefit from broad participation, i.e., a mixture of European (especially French) and non-European/Third World representation. Political realities are such that we should resist the inclusion of either local. Lee, Arab or Eastern bloc/pro-Soviet states.

The most we can probably expect from an internationally drawn UNIFIL type force is that it will bolster and monitor the peace; it cannot maintain it in the face of direct challenges to order. Moreover, we must anticipate that, just as with the MFO, contributors will require some reference or commitment to a larger political process that embraced the Palestinian issue. And it is not clear whether anyone will join an independent force that does more than observe.

A separate consideration concerns that of direct United States participation in any peacekeeping effort. More than sponsorship alone, U.S. participation would pose a tangible and dramatic demonstration of U.S. concern and commitment to stability in Lebanon. It would reassure the Israelis and contribute considerably to the deterrent value of any force.

There are obvious risks inherent in direct U.S. military involvement in a peacekeeping force. It would provoke a great amount of domestic controversy, and would be certain to SECRET

- 5 -

stimulate strong opposition from the Soviet camp and Arab radicals. It would kill any chance of arranging a force under UN auspices. Most important, it could prove to be a strategic error to introduce U.S. forces into the Lebanon equation prior to the establishment of a solid political framework. As is the case in the Sinai, direct U.S. participation must be associated with political accommodation. There are ways of minimizing the risks if the U.S. role is a non-combat one in a support function. There is, as well, the option of contributing a civilian contingent like the Sinai Field Mission to help monitor the situation.

2. Stage Two: The Lebanese Political Dimension

As noted earlier, it is essential that the strategic buffer/Israeli withdrawal process be accompanied by efforts to reconstitute Lebanese stability in the rest of the country. This can only be realized if the Lebanese factions, as well as the PLO, reach a political accommodation and fall in line behind a central governmental structure. The task of finding a solution to the Lebanese civil war has defied achievement for years, but Israel's invasion has changed the picture significantly and has provided new incentives to the various factions to reach agreement:

- -- The Lebanese were already war weary -- the Israeli invasion may have been the last straw;
- -- The Lebanese, the PLO, the Syrians and the international community now have a united objective -- getting the Israelis out;
- -- Israel appears to be supportive of some kind of internal Lebanese accommodation;
- -- There have been signs of the Phalange reaching accommodation with Jumblatt's Druze on government portfolios; :
- -- There has been evidence in the preparations for Lebanese Presidential selection of preference for a stronger President and central government.

These factors suggest that now is the time to try for a significant political accommodation in Lebanon. Even if the attempt fails, we will at least have facilitated the minimum objective of establishing a buffer zone in the south.

SECRET

- 6 -

Our specific objectives would probably have to include:

- Election of a strong Lebanese President in September

-- Withdrawal of the Syrians to the Northern Bikaa

Insertion of Lebanese army and security forces, possibly augmented by other Arab forces in positions abandoned by the syrians,

-- Disbanding or more realistically, phased integration of the militias, including Haddad's forces, into the central Lebanese army;

-- An accord establishing the temporary status of the Palestinians pending resolution of the Palestinian problem; and

-- Substantial economic assistance for the central Lebanese.

To succeed, each of the principal parties, and particularly the outsiders, the Syrians and PLO, will have to make major concessions reflecting the new situation created by Israel. They will do so if their fundamental interests are preserved. They may be compelled to do so anyway, but will do their utmost with outside support to thwart our objectives in the interim.

Syria: Syria has strong incentives to help resolve Lebanon's problems in order to ensure Israeli withdrawal, but it also sees continued Syrian control over northern Lebanon directly in the Bikaa and by alliance with Frangia as a key Syrian interest. While we do not want to agree to the de facto partition of Lebanon, in large part it already exists, and premature efforts to push Syria all the way out may be counterproductive to achieving our major objectives.

The PLO: The PLO should be ready to deal. It has been mauled militarily and can anticipate no return to the status quo ante. Nevertheless, it retains assets in the rest of Lebanon, in other Arab capitals, in the rest of the world and as the residual embodiment of Palestinian nationalism. The PLO probably cannot prevent a broad Lebanese accommodation now. It can still complicate our efforts through its support outside of Lebanon. We also have to assume that it retains a capability to terrorist attacks world-wide.

Our problem is not really the PLO itself, but arises in the $\underline{\mathtt{SECRET}}$

- 7 -

context of our international efforts in Lebanon. We will want to focus attention on the Palestinian problem in its Lebanese dimension and prevent others from trying to broaden the discussion to resolution of the Palestinian problem vis-a-vis Israel. To accomplish this, we will have to demonstrate to our European allies and Arab friends that we are fundamentally committed to resolve this larger problem and have the best chance of doing so in the context of the peace process in which we are engaged.

The Peace Process: You are fully aware of the venue problem we face in pushing forward on the peace process. We will also face a problem of moving forward with autonomy negotiations so long as Israel remains in Lebanon. Indeed, Mubarak has publicly announced that he is suspending the talks until withdrawal. The process is at risk and yet it is absolutely vital that we move forward now. We see three related aspects of the problem — the autonomy talks hemselves, the attitude of the Palestinian inhabitants of the territories, and European and Arab attitudes toward the Camp David process. We will be sending you a separate paper on our options in this regard.

In a larger sense, the crisis might present the opportunity — in combination with the Iran-Iraq war — to formalize the rapprochement between Egypt and such states as Saudi Arabia and Jordan. The "emergency" in Lebanon gives them (together with Jordan, Morocco, Tunisia, Sudan, Oman and possibly Algeria) an excuse to work together. The problem is that such unity at this point in time would inevitably be based on developing a common front against Israel. Ultimately, we support the concept of an Egyptian accommodation with the Arab world. Our objective would be not only to gain a stronger Arab voice pushing for political accommodation in Lebanon, but even more importantly, to give these countries a sense of participation and identification with U.S. efforts. But, at the moment, we should be careful not to inadvertently support Egyptian accommodation on anti-Israeli terms.

A last note concerning the U.S.S.R. A Soviet Union with its prestige committed to success could be a strong factor in reaching an agreement, but in our view, this is not the Soviet Union we would encounter. The Soviets are more likely to seize on this opportunity to engage the Palestinian problem and try to identify the U.S. with Israel as hostile to the Arab world. We should not engage the Soviets in our diplomatic efforts or negotiations. We can continue, however, to work with the Soviets through bilateral means in our effort to limit the damage they may seek to inflict.

SECRET

-8-

Conclusion: The case is overwhelming for a two-staged U.S. initiative in Lebanon that aims at the minimum objective of an Israeli withdrawal with a strategic buffer zone and at the maximum objective of restoring a strong central Lebanese government on our terms. The key remaining issues are whether we should concentrate our efforts on an internationally backeds initiative or first lay the groundwork through Phil's efforts.

There are strong reasons to lay the groundwork before investing enormous prestige and inviting international participation which can work at cross purposes to Phil's efforts.

We believe the emerging situation justifies going ahead with an approach in which Phil works with the Israelis and Lebanese to identify common interests and with the Syrians to attain Israeli withdrawal quickly. Our plans for the south incorporate Israel's basic demands. Our plans for the rest of Lebanon are founded upon some strong local interests. On balance, we ought to seize the moment in which we have a chance to shape uncertainties to our advantage.